



MARKET RELEASE

14 February 2014

Xstate Resources Limited

TRADING HALT

The securities of Xstate Resources Limited (the "Company") will be placed in Trading Halt Session State at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the earlier of the commencement of normal trading on Tuesday, 18 February, 2014 or when the announcement is released to the market.

Security Code: XST

Elizabeth Harris
Principal Adviser, Listings Compliance (Perth)



XState Resources Limited

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14 February 2014

Elizabeth Harris
Adviser-Listings (Perth)
ASX Limited
2 The Esplanade
Perth WA 6000

Dear Elizabeth,

RE: Request for Trading Halt

Xstate Resources Limited (the "Company") requests a halt in trading of the Company's securities be granted by the Australian Securities Exchange with respect to its ordinary shares in accordance with Listing Rule 17.1.

The Company seeks a trading halt pending an announcement regarding a capital raising which is expected to be made no later than the commencement of trading on 18 February 2014.

The Company is not aware of any reason why the trading halt should not be granted and is not aware of any other information required to be provided to the market or the ASX in relation to the trading halt.

Please call the undersigned should you have any further queries.

Yours sincerely

A handwritten signature in black ink that reads "D McArthur". The signature is written in a cursive, flowing style.

David McArthur
Company Secretary